

**Illinois Department of Revenue
Regulations**

Title 86 Part 105 Section 105.230 Responsibilities of Electronic Filers
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TITLE 86: REVENUE

**PART 105
ELECTRONIC FILING OF ILLINOIS INDIVIDUAL INCOME TAX RETURNS**

Section 105.230 Responsibilities of Electronic Filers

- a) All electronic filers must comply with the requirements and specifications set forth in this Part and, if applicable, IL-1346 (see Section 105.400(c)(2)).
- b) Electronic filers can only accept returns for electronic filing directly from the taxpayer, or from other electronic filers who have been accepted into the Illinois electronic filing program.
- c) Electronic filers who collect prepared tax returns for electronic filing (electronic return collectors) must treat each such collection or drop-off point (physical location) for electronic returns as a separate entity that must submit an application and be accepted as an electronic filer. Each entity will be treated as an electronic return originator and have the same responsibilities.
- d) Electronic filers who charge a fee for the electronic transmission of the return must not base the fee on a percentage of the refund amount. Electronic filers must not charge a separate fee for direct deposit.
- e) Electronic filers must not stockpile returns for electronic transmission prior to receiving official acceptance into the program or at any time while participating in the program.
- f) Electronic filers must submit a revised application to the Department to update the information contained on their most current application (Form IL-8633) or information update form (EFS-15) when there are changes such as:
 - 1) the firm name or doing business as (DBA) name(s),
 - 2) any address, telephone or contact representative,
 - 3) the electronic filing functions performed, or
 - 4) the organization's ownership.
- g) Electronic filers must ensure electronic returns are filed in a timely manner. The receipt date of the electronic transmission will constitute the receipt date of the return if it is acknowledged as accepted by the Department. Any return acknowledged as rejected by the Department will be considered not filed. In order to be timely filed, a return must be received by April 15. Any late-filed electronic returns transmitted to the Department must be received prior to midnight on April 22. The Department's communications processor will not accept return transmissions after that time. However, the communications processor will be available for the transmitter to retrieve

acknowledgment files through April 29. Any return filed on April 22 and not acknowledged as accepted must be filed on paper.

- h) Electronic filers must immediately contact the Office of Electronic Filing if an acknowledgment has not been available after 36 hours from the transmission of the return.
- i) Electronic filers cannot recall or intercept electronically filed IL-1040 returns after the returns have been acknowledged as accepted. If the electronic filer or the taxpayer wishes to change any entries after a return has been accepted, a paper amended return, Form IL-1040-X, must be filed with the Department. (Also see 86 Ill. Adm. Code 100.9400(f)(3).)
- j) Electronic filers who function as electronic return originators as defined in Section 105.200(a) must:
 - 1) Comply with the procedures for securing Form IL-8453, Taxpayer Declaration, as outlined in Subpart E of this Part;
 - 2) Input and transmit the taxpayer's address from Forms W-2, W-2G, and 1099-R (or any other transmitted form) if the address is different than the taxpayer's address in the electronic portion of the IL-1040;
 - 3) Furnish copies of the signed Form IL-8453 and non-electronic portion of the electronic IL-1040 returns to the taxpayers and advise them of the information in Subpart G of this Part;
 - 4) Furnish every taxpayer that has a balance due return with Form IL-1040-V, IL-1040 Payment Voucher for Individual Income Tax;
 - 5) Inform every taxpayer that has a balance due return that it is the responsibility of every taxpayer to make full and timely payment of any tax that is due. Failure to make full payment of any tax that is due on or before April 15 will result in the imposition of interest and penalties;
 - 6) Retain the following material until December 31 of the filing year, unless otherwise notified by the Department:
 - A) Copies of all the material furnished to the taxpayers;
 - B) A copy of any signed Form IL-8453 and Forms W-2, W-2G, and 1099-R mailed to the Department;
 - C) Copies of the electronically transmitted material as defined in Section 105.100(b). These copies may be retained on magnetic media; and
 - D) The acknowledgment files received from the Department or from third-party transmitters. These files may be retained on magnetic media;

AGENCY NOTE: Electronic return originators who are also paid preparers of the electronic tax return must retain materials as required by the Illinois Income Tax Act (IITA.)

- 7) Identify the paid preparer in the appropriate fields of the electronic IL-1040 return, and ensure the paid preparer's signature is included on (or with) the Form IL-8453.
- k) Electronic filers who function as transmitters as defined in Section 105.200(b) must:
- 1) Transmit electronic IL-1040 returns and retrieve acknowledgment files in a timely manner. Acknowledgment files will normally be available within 24 hours after transmission. If the acknowledgment files are not retrieved within five days, the Department will contact the transmitter;
 - 2) Match the acknowledgment files to the original transmission files. Returns acknowledged as accepted will be considered filed returns. Returns acknowledged as rejected must be corrected and re-transmitted, if possible. Returns that cannot be re-transmitted must be filed on paper form IL-1040;
 - 3) Contact the Office of Electronic Filing for assistance if returns have been rejected after three attempts, or if acknowledgments are received for returns that were not in the original transmissions;
 - 4) Ensure the security and confidentiality of all transmitted data;
 - 5) Not use software that has a Department assigned production password built into the software;
 - 6) Follow the instructions provided in Subpart H of this Part, Transmission Procedures; and
 - 7) Retain copies of all the acknowledgment files received from the Department. These may be retained on magnetic media. This material should be retained until December 31 of the filing year unless notified otherwise by the Department.
- l) In addition to the provisions of subsection (k), transmitters who are transmitting on-line electronic returns must:
- 1) Ensure that they do not transmit, or accept for transmission, more than five on-line returns originating from one software package or from one e-mail address;
 - 2) Ensure that they use only an IRS assigned Electronic Filing Identification Number (EFIN) or an IRS assigned Electronic Transmitter Identification Number (ETIN) assigned for use in on-line filing when transmitting on-line returns, and that each on-line return contains an on-line EFIN;
 - 3) Ensure that they do not combine, within the same transmission file to the Department, on-line electronic returns with traditional electronic returns;

- 4) Enter the letter "O" in the Trans Record "A" as the "Transmission Type Code" when transmitting on-line returns directly to the Department, or enter the letter "O" in Field Number "049" of the "Indicators Section" in the "Generic Record" when transmitting on-line returns to the IRS for Federal/State Electronic Filing;
 - 5) Include the taxpayer IL-PIN in the on-line electronic return. Married persons filing joint returns must include both the primary and spouse IL-PIN. Returns received without the IL-PIN(s) will be rejected;
 - 6) Match acknowledgments to original returns transmitted, and notify the taxpayer of the status of the on-line return. This must be done either through electronic means within two work days after acknowledgment retrieval, or by mailing written notification within one work day after acknowledgment retrieval;
 - 7) Notify the taxpayer of acceptance or rejection by the Department of an on-line electronic return. If accepted, the transmitter must provide the taxpayer the date of acceptance and the Declaration Control Number (DCN) of the return. The DCN is a 14 position serial number assigned to each electronic return. If rejected, the transmitter must provide the taxpayer the date of rejection, what the reject code(s) mean, and how the taxpayer can correct the error(s). In addition, the taxpayer must be instructed to file a paper return if he/she chooses not to correct the return and retransmit, or if the return is excluded from electronic filing; and
 - 8) Retain copies of the electronically transmitted material as defined in Section 105.100(b) until December 31 of the filing year. These copies may be retained on magnetic media.
- m) Transmitters who provide transmission services to other electronic filers must also:
- 1) Accept electronic IL-1040 returns for transmission to the Department's communications processor only from electronic filers accepted in the Illinois program; and
 - 2) Provide each of their clients with the acknowledgment files for their transmitted returns within 24 hours after receipt of the acknowledgments from the Department. Failure to comply could lead to suspension from the program (see Section 105.1010).
- n) Electronic filers who function as software developers as defined in Section 105.200(c) must:
- 1) Correct software errors that cause electronic returns to be rejected. Correct these errors quickly to ensure the timely transmission of electronic returns;
 - 2) Expeditiously distribute corrections to all electronic filers utilizing these products;
 - 3) Ensure that if their software products will be used for transmitting by multiple electronic filers at the same time, their software has the capability of combining returns from these electronic filers into one Department transmission file, taking

into account the Declaration Control Number assignments and requirements specified in Section 105.510; and

- 4) Not incorporate into its software a Department assigned production password.
- o) In addition to the provisions of subsection (n), software developers who write software for on-line electronic filing must:
- 1) Provide assistance as needed to taxpayers using their software;
 - 2) Ensure that the software package cannot be used to transmit more than five on-line electronic returns;
 - 3) Ensure that the software, if available through an internet site, cannot be used to file more than five on-line electronic returns from one e-mail address;
 - 4) Ensure that the software informs taxpayers that an IL-PIN must have been received by the taxpayer from the Department, and provided in the return by the taxpayer, in order to file an Illinois on-line electronic return. If an on-line return is received without the IL-PIN(s), it will be rejected by the Department;
 - 5) Ensure that the software contains Form IL-1040-V, IL-1040 Payment Voucher for Individual Income Tax, that can be printed and used by the taxpayer to make payment to the Department. In addition, the software must inform the taxpayer that it is the responsibility of every taxpayer to make full and timely payment of any tax that is due. Failure to make full payment of any tax that is due on or before April 15 will result in the imposition of interest and penalties;
 - 6) Ensure that the software informs taxpayers that direct deposit is available for Illinois refunds from electronic returns, and that direct deposit information transmitted cannot be rescinded or changed after the on-line return is accepted by the Department;
 - 7) Ensure that, if the taxpayer selects direct deposit, the routing transit number (RTN) of the financial institution designated by the taxpayer meets specific criteria. The RTN must contain nine digits, and the first two digits must fall within the valid ranges of 01 through 12 or 21 through 32; and
 - 8) Ensure that the software contains an on-line consent to disclosure statement equivalent in content to the taxpayer declaration from Form IL-8453. The statement must include direct deposit authorization, as applicable. The software must prompt the taxpayer to provide his/her IL-PIN as signature to the statement. The taxpayer IL-PIN is used in lieu of the written taxpayer signature on Form IL-8453, which is not required for an on-line electronic return. The IL-PIN must be included within the on-line electronic return.

(Source: Amended at 24 Ill. Reg. 6582, effective April 10, 2000)